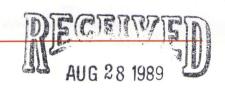


P.O. BOX 767 • NUCLA, COLORADO 81424



August 24, 1989 , and a mining

m/037/026

Mr. Holland Shephard Reclamation specialist Department of Natural Resources 355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

Dear Holland,

As per our phone conversation, the vent hole in West LaSal in the SE 1/4 SW 1/4 S34 T28S, R24E will be reclamated as follows:

The vent hole will be cased and the casing cemented in. After termination of mining activities, the cased vent hole will be filled with mine waste to within seven feet of the collar of the vent hole. A five-foot cement plug will then be placed and two feet of soil will be placed on top of the cement plug.

Also, the three holes at the Mike Area, Sec.1 T29S, R24E are to be backfilled to within seven feet of the surface where a five-foot cement plug will then be placed with a two feet covering to the collar.

Sincerely,

John Vanderpool Chief Geologist

JSV/pkm

CC: F. Barnett File